



# House of Representatives

General Assembly

**File No. 318**

*January Session, 2007*

Substitute House Bill No. 5068

*House of Representatives, April 4, 2007*

The Committee on Planning and Development reported through REP. FELTMAN of the 6th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT CONCERNING A PROPERTY TAX ABATEMENT FOR OWNERS OF DAMAGED DWELLINGS IN THE VICINITY OF THE WEST RIVER AND ESTABLISHING A PROGRAM TO ALLOW SENIOR CITIZENS TO EARN A PROPERTY TAX ABATEMENT BY PERFORMING WORK IN THEIR MUNICIPALITY.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1      Section 1. (*Effective July 1, 2007, and applicable to assessment years*  
2      *commencing on or after October 1, 2007*) Any municipality may, upon  
3      approval by its legislative body, abate the property taxes due for any  
4      tax year or the interest on delinquent taxes with respect to any  
5      dwelling unit located in the municipality that was repaired because of  
6      damage due to the siting of such dwelling unit in the immediate  
7      vicinity of the West River.

8      Sec. 2. (NEW) (*Effective July 1, 2007, and applicable to assessment years*  
9      *commencing on or after October 1, 2007*) (a) The legislative body of any  
10     municipality may establish, by ordinance, a program to provide  
11     property tax relief to persons sixty-five years of age and older who

12 volunteer their services to the municipality.

13 (b) Any property tax relief under this section for any taxpayer shall  
14 not exceed seven hundred fifty dollars in any assessment year. The  
15 amount of such relief shall be determined based on the number of  
16 hours volunteered multiplied by the state minimum fair wage, as  
17 defined in subsection (j) of section 31-58 of the general statutes.

18 (c) The amount of the property tax relief shall be applied to the taxes  
19 due to the municipality and shall not be paid to the taxpayer.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2007, and applicable to assessment years commencing on or after October 1, 2007</i>	New section
Sec. 2	<i>July 1, 2007, and applicable to assessment years commencing on or after October 1, 2007</i>	New section

**PD** Joint Favorable Subst.

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

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**OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:**

Municipalities	Effect
Various Municipalities	See Below

**Explanation**

The bill enables municipalities to (a) abate property taxes and interest, if applicable, due on property located nearby the West River that was damaged and subsequently repaired, and to (b) establish a program to provide property tax relief for elderly homeowners. Municipalities electing provisions from this bill to abate property taxes will experience a loss of their net grand list (assessed value less exemptions permitted under current state law) and will likely necessitate an increase in a municipality's mill rate to offset the loss of taxable property.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

**OLR Bill Analysis****sHB 5068*****AN ACT CONCERNING A PROPERTY TAX ABATEMENT FOR OWNERS OF DAMAGED DWELLINGS IN THE VICINITY OF THE WEST RIVER AND ESTABLISHING A PROGRAM TO ALLOW SENIOR CITIZENS TO EARN A PROPERTY TAX ABATEMENT BY PERFORMING WORK IN THEIR MUNICIPALITY.*****SUMMARY:**

This bill allows the legislative body of a municipality to establish, by ordinance, a program to provide property tax relief to people age 65 and older who volunteer their services to the municipality. The relief cannot exceed \$750 in any assessment year. The amount of the relief must be determined based on the number of hours volunteered multiplied by the state minimum wage (currently \$7.65 per hour). The relief must be applied to the taxes due, and not be paid to the taxpayer.

The bill also allows any municipality abutting the West River (New Haven and West Haven) to, upon approval by its legislative body, abate the property taxes due for any tax year, or the interest on delinquent taxes, for any dwelling unit located in the municipality that was repaired because of damage resulting from its siting in the immediate vicinity of the West River.

EFFECTIVE DATE: July 1, 2007 and applicable to assessment years commencing on or after October 1, 2007

**COMMITTEE ACTION**

Planning and Development Committee

Joint Favorable Substitute

Yea     20     Nay   0     (03/19/2007)